

FISCAL MEMORANDUM

HB 609 – SB 1383

May 10, 2007

SUMMARY OF AMENDMENT (008222): Deletes the language of the original bill. Redefines the term “municipality,” as it applies to the Convention Center and Tourism Financing Act (CCTFA), to include metropolitan forms of government. Redefines the term “qualified public use facility (QPUF),” as it applies to the CCTFA, to include any privately owned or operated amusement or theme park that invests a minimum of \$100.0 million and is located within any county (Rutherford County) with a population no less than 182,000 and no more than 182,100, according to the 2000 federal census.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – The fiscal impact for this bill is dependent upon multiple unknown factors. As a result, a statistically-significant fiscal estimate cannot be determined. Also, if any such qualified public-use facility is constructed regardless of the outcome of this legislation, then state tax revenues would decrease by an amount dependent upon the extent of taxable sales that will occur at such facility. If the construction for any such qualified public-use facility is contingent upon the passage of this legislation, then the state would forego state tax revenues equal to an amount dependent upon the extent of taxable sales that will occur at such facility. Any decreased or forgone state revenues would result in a corresponding increase to local government revenues, which would be earmarked exclusively for retiring debt incurred for the construction of the qualified public-use facility. While a statistically-significant fiscal estimate cannot be determined, it is reasonable to suggest that the decrease or foregone state revenues, and the corresponding increase to local government revenues, will exceed \$2,000,000 per year.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Other Fiscal Impact – The fiscal impact of this bill as amended cannot be determined due to the amendatory language containing a reference to a Tennessee law that does not exist (T.C.A. 67-4-3004).

Assumptions applied to amendment:

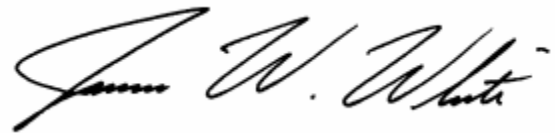
- According to the 2000 federal census, Rutherford County had a population of 182,023 in 2000.

HB 609 – SB 1383

- Section 3 of the amendatory language requires any incremental local option sales tax revenue and the business tax revenue levied by T.C.A. 67-4-3004 to be apportioned to the municipality (Rutherford County) responsible for the debt service on any such QPUF constructed. All such revenue is to be earmarked for paying such debt service.
- The amount of revenue that would be earmarked cannot be determined because T.C.A. 67-4-3004 does not exist.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rnc